

ORDINANCE NO. _____, 2014

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA,
TO ADOPT CHAPTER 9.32 OF THE COLUMBUS CITY CODE, PAWNBROKERS,
JEWELERS, VALUABLE METAL DEALERS AND SECONDHAND DEALERS**

WHEREAS, Indiana Code 36-1-3 et. seq. confers upon units of government within the State of Indiana such powers as necessary or desirable to conduct the affairs of local government;

WHEREAS, Indiana Code 36-4-6-18 authorizes the Common Council of the City of Columbus, Indiana to pass such ordinances, orders, resolutions and motions as may be necessary and proper for the governmental unit to fulfill and satisfy the responsibilities and duties of said governmental unit;

WHEREAS, the Columbus Police Department is seeking a method to better serve victims of property crimes;

WHEREAS, property crimes are an issue to be addressed in the City of Columbus (the “City”);

WHEREAS, the sale, purchase, and exchange of stolen items fuel the sales and purchases of illicit drugs and other criminal activities in the City;

WHEREAS, it is important that the law enforcement agencies within the City and Bartholomew County and the citizens of the City and Bartholomew County have available, in a timely manner, data regarding items being pawned, sold, purchased, or exchanged in the City; and

WHEREAS, the Columbus Police Department has identified technology that will assist in its efforts to track and locate stolen property.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA, AS FOLLOWS:

Section I. Chapter 9, Section 32 of the Columbus City Code, is hereby added to read as follows:

**Chapter 9: PAWNBROKERS, JEWELERS, VALUABLE METAL DEALERS AND
SECONDHAND DEALERS**

Sections:

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|------|-----------------------------------|
| 9.01 | Definitions. |
| 9.02 | Registration Requirements. |
| 9.03 | Pawnbroker Reporting. |
| 9.04 | Secondhand Dealer Reporting. |
| 9.05 | Jeweler Reporting. |
| 9.06 | Valuable Metal Dealer Reporting. |
| 9.07 | Law Enforcement Responsibilities. |
| 9.08 | Purchase Limitations. |
| 9.09 | Penalty. |

9.01 DEFINITIONS.

For the purposes of this chapter, certain terms and words are defined as follows:

- A. Firearm. Shall have the same meaning and definition as provided in I.C. 35-47-1-5.
- B. Firearm accessory. Shall have the same meaning and definition as provided in I.C. 35-47-1-5.1.
- C. Jeweler. Shall have the same meaning and definition as provided in I.C. 24-4-13-1.
- D. Jewelry. Shall have the same meaning and definition as provided in I.C. 54-4-13-1.
- E. Pawnbroker. Shall have the same meaning and definition as provided in I.C. 28-7-5-2.
- F. Precious metal. Shall have the same meaning and definition as provided in I.C. 23-2-6-15.
- G. Purchase. Is defined as acquiring something for a consideration.
- H. Secondhand dealer. Is defined as a person, firm, or corporation engaged in the buying, selling, trading, or otherwise acquiring secondhand property for business purposes.
Secondhand dealers are not:
 - 1. Private residential sales commonly known as “garage sales,” “yard sales,” or “estate sales” as long as such sales take place at a residentially zoned property;
 - 2. Any sale that is held by a transient vendor and lasts no more than twenty-four (24) hours;
 - 3. Any bona fide charity possessing a valid exemption under Section 501(c)(3) of the Internal Revenue Code;
 - 4. Any sale held by a political organization;
 - 5. Antique stores or malls;
 - 6. Persons, firms, or corporations which only occasionally engage in the purchase of used goods so long as this occasional business does not total more than five thousand dollars (\$5,000.00) worth of purchases in any one calendar year;

7. Persons solely engaged in the business of buying, selling, trading in, or otherwise acquiring or disposing of motor vehicles and used parts of motor vehicles, and shall not apply wreckers or dismantlers of motor vehicles who are licensed;
 8. Auctioneers and auction houses are not considered secondhand dealers. The definition of Auctioneer and auction house shall have the same meaning and definition as provided in I.C. 25-6.1-1-3;
 9. Those individuals, firms, corporations, limited liability companies, or partnerships defined by I.C. 25-37.5-1-1 as valuable metal dealers; and
 10. Individuals making an incidental purchase that may be sold at a later date, but is not a regular or foreseen means of income.
- I. Secondhand property. Shall be defined as used goods. Secondhand property does not include used:
1. Clothes;
 2. Cars;
 3. Books,
 4. Watercrafts;
 5. Farm equipment;
 6. Furniture;
 7. Cd's; or
 8. Lp's.
- J. Sell. Shall have the same meaning and definition as provided in I.C. 16-41-32-11.
- K. Used jewelry. Shall have the same meaning and definition as provided in I.C. 24-4-13-1.
- L. Valuable metal. Shall have the same meaning and definition as provided in I.C. 25-37.5-1-1.
- M. Valuable metal dealer. Shall have the same meaning and definition as provided in I.C. 25-37.5-1-1.

- A. Any person, firm or corporation, who desires to engage in business as a pawnbroker, jeweler, valuable metal dealer, or secondhand dealer, shall register each of their business locations with the Columbus Police Department. No person, firm or corporation shall engage in business as a pawnbroker, jeweler, valuable metal dealer, or secondhand dealer without first registering with the Columbus Police Department.
- B. Any person, firm or corporation who desires to engage in business as a pawnbroker, jeweler, valuable metal dealer, or secondhand dealer shall complete the registration form provided by the Columbus Police Department, which shall specify the street address of the business. If a business has more than one location, a separate registration form shall be completed for each location.
- C. There shall be no fee charged for processing the registration.
- D. Any person, firm or corporation, who has registered as a pawnbroker, jeweler, valuable metal dealer, or secondhand dealer who changes its place of business to another location, or adds one or more business locations, shall register and/or re-register their business in accordance with this Chapter.

9.03 PAWNBROKER REPORTING.

- A. Every pawnbroker shall electronically report all daily transactions pertaining to items of merchandise purchased, pledged, or traded prior to the start of the following business day to a website designated as an agent of the Columbus Police Department. At no time shall the Chief of Police select a provider who charges the pawnbrokers a fee for such reporting service.
- B. If a pawnbroker purchases, pledges, or trades merchandise, the information required to be electronically recorded for each transaction shall include, but not be limited to the following:
 - 1. The date of each sale;
 - 2. The amount of consideration;
 - 3. A description of each article. However, if multiple articles of a similar nature that do not contain an identification or serial number (such as precious metals, gemstones, musical recordings, video recordings, books, or hand tools) are delivered together in one (1) transaction, the description of the articles is adequate if the description contains the quantity of the articles delivered and a physical description of the type of articles delivered, including any other unique identifying marks, numbers, names, letters, or special features;
 - 4. The signature of the seller;

5. The address of the seller;
 6. The date of birth of the seller;
 7. The type of government issued identification used to verify the identity of the seller, together with the name of the governmental agency that issued the identification, and the identification number present on the government issued identification;
- C. All transaction information shall be open at all times during the business hours to the inspection of law enforcement to examine such records.
- D. It is not the intent of this Section to require pawnbrokers to record any additional information or to permit law enforcement a more intrusive on-site inspection than required in I.C. 28-7-5-16.

9.04 SECONDHAND DEALER REPORTING.

- A. Every secondhand dealer shall electronically report all daily transactions involving buying, trading, or otherwise acquiring secondhand property prior to the start of the following business day to a website designated as an agent of the Columbus Police Department. At no time shall the Chief of Police select a provider who charges the reporting secondhand dealers a fee for such reporting service.
- B. If a secondhand dealer buys, trades, or otherwise acquires secondhand property, the information required to be electronically recorded for each transaction shall include, but not be limited to the following:
1. The date of each sale;
 2. The amount of consideration;
 3. A description of each article. However, if multiple articles of a similar nature that do not contain an identification or serial number (such as precious metals, gemstones, musical recordings, video recordings, books, or hand tools) are delivered together in one (1) transaction, the description of the articles is adequate if the description contains the quantity of the articles delivered and a physical description of the type of articles delivered, including any other unique identifying marks, numbers, names, letters, or special features;
 4. The signature of the seller;
 5. The address of the seller;
 6. The date of birth of the seller;

7. The type of government issued identification used to verify the identity of the seller, together with the name of the governmental agency that issued the identification, and the identification number present on the government issued identification;

9.05 JEWELER REPORTING.

- A. Every jeweler shall electronically report all daily transactions involving used jewelry prior to the start of the following business day to a website designated as an agent of the Columbus Police Department. At no time shall the Chief of Police select a provider who charges the reporting jewelers a fee for such reporting service.
- B. If a jeweler purchases used jewelry, the information required to be electronically recorded for each transaction shall include, but not be limited to the following:
 1. The date of each sale;
 2. The amount of consideration;
 3. A description of each article of used jewelry sold. However, if multiple articles of used jewelry of a similar nature are delivered together in one (1) transaction, the description of the articles is adequate if the description contains the quantity of the articles delivered and a physical description of the type of articles delivered, including any unique identifying marks, numbers, names, letters, or special features;
 4. The signature of the seller;
 5. The address of the seller;
 6. The date of birth of the seller;
 7. The type of government issued identification used to verify the identity of the seller, together with the name of the governmental agency that issued the identification, and the identification number present on the government issued identification;
- C. All transaction information shall be open at all times during the business hours to the inspection of law enforcement to examine such records.
- D. It is not the intent of this Section to require jewelers to record any additional information or to permit law enforcement a more intrusive on-site inspection than required by I.C. 24-4-13-3 and I.C. 24-4-13-3.

9.06 VALUABLE METAL DEALER REPORTING.

- A. Every valuable metal dealer shall electronically report all daily transactions involving valuable metal prior to the start of the following business day to a website designated as an agent of the Columbus Police Department. At no time shall the Chief of Police select a provider who charges the reporting valuable metal dealers a fee for such reporting service.
- B. If a valuable metal dealer purchases valuable metal, the information required to be electronically recorded for each transaction shall include, but not be limited to the following:
 - 1. The name and address of the dealer;
 - 2. The date and place of each purchase;
 - 3. The name, address, age, and driver's license number or social security number of the person or persons from whom the valuable metal was purchased;
 - 4. The type of government issued identification used to verify the identity of the seller, together with the name of the governmental agency that issued the identification, and the identification number present on the government issued identification;
 - 5. The motor vehicle license number of the vehicle or conveyance on which the valuable metal was delivered to the dealer;
 - 6. The price paid for the metal;
 - 7. A description and weight of the valuable metal purchased;
 - 8. The source of the valuable metal;
 - 9. The signature of the seller; and
 - 10. A photograph of the person from whom the valuable metal is being purchased, and of the valuable metal.
- C. All transaction information shall be open at all times during the business hours to the inspection of law enforcement to examine such records.
- D. It is not the intent of this Chapter to require valuable metal dealers to record any additional information or to permit law enforcement a more intrusive on-site inspection than required by I.C. 25-37.5-1-2 and I.C. 25-37.5-1-4.
- E. In accordance with I.C. 25-37.5-1-5 the following shall be exempt transactions for the purpose of electronic filing as described in this Section:

1. Purchases from persons, firms, limited liability companies, or corporations regularly engaged in the business of manufacturing valuable metals, the business of selling valuable metals at retail or wholesale, to the purchase of one dealer from another; and
2. The purchase from persons, firms, limited liability companies, or corporations engaged in either the generation, transmission or distribution of electric energy or in telephone, telegraph and other communications if such persons, firms, limited liability companies, or corporations at the time of purchase, provide the dealer with a bill of sale or other written evidence of title to the valuable metal.

9.07 LAW ENFORCEMENT RESPONSIBILITIES.

- A. The Chief of Police or his/her agent(s) may, at his/her discretion, transmit a list of stolen goods electronically to pawnbrokers, jewelers, valuable metal dealers, or secondhand dealers through a website designated as an agent of the Columbus Police Department. At no time shall the Chief of Police select a provider who charges the pawnbrokers, jewelers, valuable metal dealers or secondhand dealers a fee for receiving such information.
- B. The Chief of Police shall designate one website as an agent of the Columbus Police Department.

9.08 PURCHASE LIMITATIONS.

No pawnbroker, jeweler, valuable metal dealer, or secondhand dealer shall make a purchase he or she believes, or should have reason to believe, involves stolen property.

9.09 PENALTY.

Any person, firm or corporation who violates any provision of this Chapter may be fined; the fine imposed for each such violation shall not be less than \$200.00 and not more than \$2,500.00 per violation per day.

9.10 FIREARMS, AMMUNITION AND FIREARM ACCESSORIES EXCLUSION.

The requirements and processes set forth above shall not in anyway apply to firearms, ammunition, and firearm accessories as defined by Indiana law.

Section II. All prior ordinances or parts thereof inconsistent with any provision of this Ordinance are hereby repealed.

Section III. This Ordinance shall be in full force and effect one hundred and eighty (180) days from and after its passage and approval as provided by law.

ADOPTED BY THE COMMON COUNCIL OF THE CITY OF COLUMBUS, INDIANA,
on this the _____ day of _____, 2014, by a vote of _____ ayes and _____ nays.

Kristen Brown, Mayor
Presiding Officer of the Common Council

ATTEST:

Clerk of the Common Council of Columbus, Indiana
Luann Welmer

Presented by me to the Mayor of Columbus, Indiana, this _____ day of _____, 2014 at _____
o'clock _____.m.

Luann Welmer
Clerk-Treasurer

Approved and signed by me this _____ day of _____, 2014 at _____ o'clock _____.m.

Kristen Brown
Mayor of the City of Columbus, Indiana